H-3612.1	

HOUSE BILL 2890

State of Washington 57th Legislature 2002 Regular Session

By Representatives Grant, Delvin, Ericksen, Dunshee, Armstrong and Wood Read first time 02/01/2002. Referred to Committee on Health Care.

- 1 AN ACT Relating to contracts or agreements between cigarette
- 2 retailers and manufacturers in respect to cigarette merchandising,
- 3 advertising, display, or promotion programs; and adding a new section
- 4 to chapter 19.91 RCW.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 19.91 RCW 7 to read as follows:
- 8 (1) A cigarette retailer and manufacturer may enter into contracts
- 9 or agreements with each other for the retailer to: (a) Obtain,
- 10 participate in, and receive payments from the manufacturer under the
- 11 manufacturer's cigarette merchandising, advertising, display, or
- 12 promotion programs, whether permanent or temporary; (b) be compensated
- 13 by the manufacturer for providing space for the merchandising,
- 14 advertising, display, or promotion of the manufacturer's products; or
- 15 (c) purchase cigarettes.
- 16 (2) The contract or agreement under subsection (1) of this section
- 17 shall not directly or indirectly:
- 18 (a) Require the retailer to allocate:

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- 1 (i) A percentage or fraction of all or any part of the retailer's:
- 2 (A) Space available for product display, signage, or advertising; or
- 3 (B) cigarette category space, to a manufacturer for any purpose; or
- 4 (ii) A determined amount of such space, whether expressed in 5 footage, product facings, or other forms of stated measurement, to a 6 manufacturer in order to receive, participate in, or receive payment 7 under a manufacturer's promotions; or
 - (b) Restrict or limit:

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- (i) A retailer's cigarette category space; or
- 10 (ii) A retailer's conduct of or participation in any program or 11 activity concerning the sale, display, merchandising, promotion, 12 pricing, or advertising, in any manner, of any manufacturer's products.
- 13 (3) The definitions in this subsection apply throughout this 14 section unless the context clearly requires otherwise.
- 15 (a) "Cigarette category space" means the portion of space in a 16 store or on the premises as reserved, made available, or identified by 17 a retailer for the display of products, signs, advertising, promotion, 18 or other communications relating to cigarettes.
- (b) "Manufacturer" means a cigarette manufacturer or importer, directly or through its agent, representative, broker, or any other person or entity, who directly or indirectly offers to supply, sell, or deliver cigarettes or cigarette advertising, merchandising, or promotions to a cigarette retailer.
 - (c) "Promotion" means any program or means by which: (i) The effective price paid by a purchaser of cigarettes is reduced from the regular price charged by the retailer when a manufacturer's promotion is not in effect or applicable; or (ii) additional cigarettes or other items are offered to the consumer in connection with the purchase of cigarettes.
 - (d) "Retailer" has the same meaning as in RCW 82.24.010.

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